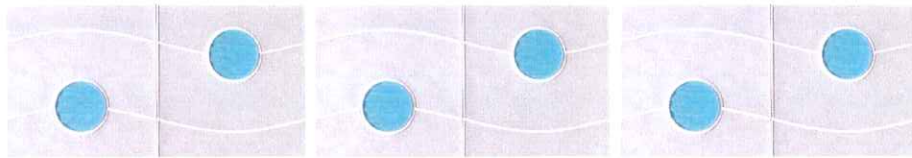


Addendum  
to an application for an  
Idaho Community Development Block Grant  
for a  
Water System Improvement Project



by the  
City of Newdale  
Mayor Shayne Hansen  
March 5, 2010

PREPARED BY:



299 East 4<sup>th</sup> North, Rexburg, ID 83440 208-356-4524 . 208 356-4544

# CITY OF NEWDALE

P.O. Box 70  
Newdale, Idaho 83436

February 23, 2010

Lane V. Packwood, Administrator  
Idaho Department of Commerce  
PO Box 83720  
Boise, ID 83720-0093

Dear Mr. Packwood,

The City of Newdale appreciates the opportunity to submit our addendum information in conjunction with our application for an Idaho Community Development Block Grant.

The City of Newdale has worked for many months to prepare for the improvement project, which is fully supported by the residents of Newdale.

Given the low-income status of the area the assistance from the block grant program will help the City to make the improvements while keeping the monthly fees at a reasonable rate for the users. Without Block Grant assistance our monthly rates will nearly double.

On behalf of the community, the City Council and I wish to express our gratitude to the Department for their interest in our project.

Sincerely,

A handwritten signature in blue ink, reading "Shayne Hansen". The signature is fluid and cursive, with the first name "Shayne" being more prominent than the last name "Hansen".

Shayne Hansen  
City of Newdale

## ICDBG Application Information Form

Applicant: City of Newdale Chief Elected Official: Shayne Hansen, Mayor  
 Address: PO Box 70; Newdale, Idaho 83436 Phone: (208) 458-4389  
 Sub recipient (if applicable): N/A Chief Elected Official: \_\_\_\_\_  
 Address: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Application Prepared by: The Development Company Phone: (208) 356-4524 x 312  
 Address: 299 E 4<sup>th</sup> North; Rexburg ID 83440  
 Architect/Engineer/Planner : The Dyer Group – Dick Dyer, P.E. Phone: (208) 656-8800  
 Address: 343 E 4<sup>th</sup> North, Suite 108, Rexburg ID 83440

### NATIONAL OBJECTIVE (MARK ONE)

☒ LMI Area      ☐ LMI Clientele      ☐ Imminent Threat  
☐ LMI Jobs      ☐ Slum & Blight

### PROJECT TYPE (MARK ONE)

☒ Public Facility/ Housing      ☐ Community Center  
☐ Economic Development      ☐ Senior Center

### PROJECT POPULATION TO BENEFIT (PERSONS): (Census/Survey/Clients/Jobs)

TOTAL # TO BENEFIT: 358

TOTAL # LMI TO BENEFIT: 263

% LMI TO BENEFIT: 73.5%

% MINORITY POPULATION: 14%

**PROJECT DESCRIPTION:** The project will construct a well and transmission line to connect with the existing city water supply system in order to eliminate high levels of arsenic and fluorides, rehabilitate the existing City well, and construction of a new reservoir. This project is of critical concern to IDEQ and is therefore the number one project in the State.

SOURCE	AMOUNT	DATE APPLICATION SUBMITTED	RESERVED/ CONDITIONAL AWARD	FUNDS COMMITTED/ CONTRACT AWARD DATE	DOCUMENTATION IN APPENDIX ***
ICDBG	\$500,000				
Local Cash					
SRF Loan	\$220,000				
Local In-Kind**					
USDA-RD Grant					
EDA Grant					
State Grant					
Foundation Grant					
Private Investment					
Other ACOE 595 Grant	\$1,080,000				
<b>TOTAL PROJECT FINANCING</b>	<b>\$1,800,000</b>				

\* Identify Loan Source(s) DEQ SRF Loan

\*\*Describe In-Kind match by type (i.e., materials, labor, waived fees, land value) and amount.

\*\*\*Identify which appendix corresponding documentation is in. Documentation should be a letter from the appropriate source.

## Idaho Community Development Block Grant Budget

**Name: City of Newdale – Water System Improvements**

LINE ITEMS	CDBG	STATE*	TOTAL
Administrative		\$68,000	\$68,000
Design Professional		\$200,000	\$200,000
Legal (Judic Conf & Bond		\$15,000	\$15,000
Construction	\$500,000	\$888,100	\$1,388,100
Audit, Interim Financing/Financial		\$33,500	\$33,500
Water Study		\$17,500	\$17,500
USACE Review		\$36,200	\$36,200
Contingencies		\$41,700	\$41,700
<b>TOTAL COSTS**</b>	<b>\$500,000</b>	<b>\$1,300,000</b>	<b>\$1,800,000</b>

\*Identify funding source.

\*\* Administrative expenses and project planning design costs, when totaled, shall not exceed 10% of the total ICDBG amount.



## **Economic Advisory Council Page:**

**NEED:** The City of Newdale has experienced problems with the quality of their water supply for several years. Past efforts by the City to resolve the problems have been ineffective. The biggest problem being experienced is that the levels of arsenic and fluoride in the water exceed maximum contaminant levels established by the Environmental Protection Agency (EPA).

**BRIEF BACKGROUND:** The Idaho Department of Environmental Quality (DEQ) has been diligently working with the City to try to find the means whereby this small community can address this significant problem. Currently this project is listed as the number one priority for DEQ due to the threat to the health and safety of the entire community. The City and DEQ have entered into a compliance agreement whereby the City is to move forward with proactive efforts to plan for and address the need to improve water quality. DEQ has accepted the Facility Study and when the Environmental Information Document is finalized IDEQ will provide financial assistance to the City to make the water system improvements.

**SCOPE OF THE PROJECT:** In order to improve the quality of the water supply to the community, the City and the project engineer are pursuing the construction of a new well outside of the "contaminate field" on City owned land to the southeast of the City. The new well will be connected to the City's existing water supply and distribution system. The existing water system will also receive upgrades to storage, replacement of existing pumps and control systems, and the installation of a backup power supply system.

**COST FACTORS:** The costs to make the mandated improvements are estimated at \$1,800,000. The community of 358 persons of which 73.5% are LMI by survey (summer 2009) need financial assistance in order to accomplish the improvements. Because of the importance of the project the Army Corp of Engineers has plans to assist the community with a \$1,080,000 USACE 595 Grant. IDEQ will assist with a \$220,000 SRF loan.

**SUMMATION AND IMPACT OF THE PROJECT:** The community cannot continue to consume unhealthy levels of harmful chemicals currently distributed in the City's water supply. Along with the obvious threats to health, there are threats to the safety of the community and the harm to the economic future of the community. The City is not in a position to encourage any type of residential or commercial growth or any business expansion without a safe, acceptable water supply.

## Detailed Cost Analysis

1. Have preliminary plans and specs been submitted to regulatory agencies for review?

☒ Yes ☐ No

If yes, list date submitted: Oct. 2009 to IDEQ

If no, list expected date to be submitted: \_\_\_\_\_

2. Has final design (for bidding) begun? ☒ Yes ☐ No

If yes, % complete: 80 %

If no, what is expected start date:

3. Will project include bid alternatives to meet project budget if necessary?

☐ Yes ☒ No

NOTE: No alternatives but priorities established to delete project items and meet budget if necessary.

4. Are Davis Bacon wage rates applicable to the project? ☒ Yes ☐ No

If yes, are they included in the project costs? ☒ Yes ☐ No

5. Have known environmental measures been included in project costs? (e.g., dust mitigation, archaeological survey, storm water drainage, wetland mitigation etc.)

☒ Yes ☐ No

6. List the last date the owner and design professional discussed project design and details. Date: Nov. 4, 2009

7. Design Professional Cost Estimate may be found in Appendix G.

## Project Schedule

<b>Project Activity</b>	<b>Date (to be) Completed</b>	<b>Documentation in Appendix</b>
Design Professional Contract Executed	<b>Oct. 7, 2009</b>	
Grant Administration Contract Executed	<b>Dec. 30, 2009</b>	
Environmental Release	<b>May 2010</b>	
Bid Document Approval	<b>June 1, 2010</b>	
Bid Opening	<b>July 1, 2010</b>	
Construction Contract Executed	<b>July 1, 2010</b>	
Start Construction	<b>July 2010</b>	
Construction 50% Complete	<b>September 2010</b>	
Second Public Hearing	<b>September 2010</b>	
Certificate of Substantial Completion	<b>October 2010</b>	
Update Fair Housing Plan	<b>Aug 30, 2010</b>	
Update 504 Review and Transition Plan	<b>Aug 30, 2010</b>	
Construction 100% Complete	<b>November 2010</b>	
Final Closeout	<b>Dec 31, 2010</b>	





ENGINEERING • PLANNING • MANAGEMENT

**City of Newdale Water System Improvements 2010  
Cost Estimate - December 2009**

**Schedule No. 1 - Water System Improvements**

**ENGINEERS ESTIMATE**

NO.	ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
1	10" PVC Water Line	LF	11,000	\$25.00	\$275,000.00
2	10" Gate Valve	EA	6	\$1,200.00	\$7,200.00
3	Air Release / Vacuum Valves	EA	3	\$3,500.00	\$10,500.00
4	Rock Excavation 0' – 2'	LF	4,500	\$21.00	\$94,500.00
5	Rock Excavation 2' – 4'	LF	2,500	\$31.00	\$77,500.00
6	Rock Excavation 4' – 6'	LF	1,000	\$50.00	\$50,000.00
7	Highway Crossing	LS	1	\$25,000.00	\$25,000.00
8	Control Valve Vault	LS	1	\$15,000.00	\$15,000.00
9	Gravel Road Repair	LF	1,500	\$5.00	\$7,500.00
10	Asphalt Street Repair	LF	1,000	\$25.00	\$25,000.00
11	1" Service Connection	EA	2	\$300.00	\$600.00
12	6" Test Well	LS	1	\$30,000.00	\$30,000.00
13	New Well 16" Drilling	LF	660	\$120.00	\$79,200.00
14	New Well 16" Drilling - Extra Depth	LF	100	\$200.00	\$20,000.00
15	New Well 20" Drilling	LF	60	\$190.00	\$11,400.00
16	New Well 16" Casing	LF	60	\$80.00	\$4,800.00
17	New Well 8" Column	LF	640	\$50.00	\$32,000.00
18	New Well 125 HP Pump and Motor	LS	1	\$80,000.00	\$80,000.00
19	New Well Seal and Grouting	LS	1	\$7,000.00	\$7,000.00
20	New Well Development and Testing	HR	24	\$350.00	\$8,400.00
21	New Well House	LS	1	\$40,000.00	\$40,000.00
22	New Well Site Work	LS	1	\$10,000.00	\$10,000.00
23	New Well Mechanical/Yard Piping	LS	1	\$15,000.00	\$15,000.00
26	New Well Standby Power Generator	LS	1	\$40,000.00	\$40,000.00
27	New Well Electrical and Controls	LS	1	\$30,000.00	\$30,000.00
24	Chlorination System	LS	1	\$20,000.00	\$20,000.00
25	Chlorine Vault	LS	1	\$3,500.00	\$3,500.00
28	Hwy 33 Well Rehabilitation	LS	1	\$10,000.00	\$10,000.00
29	Hwy 33 Well 8" Column	LF	330	\$50.00	\$16,500.00
30	Hwy 33 Well 100 HP Pump & Motor	LS	1	\$45,000.00	\$45,000.00
31	Hwy 33 Well Seal and Grouting	LS	1	\$2,000.00	\$2,000.00
32	Hwy 33 Well House	LS	1	\$20,000.00	\$20,000.00
33	Hwy 33 Well Site Work	LS	1	\$5,000.00	\$5,000.00
34	Hwy 33 Well Mechanical	LS	1	\$5,000.00	\$5,000.00
35	Hwy 33 Well Electrical and Controls	LS	1	\$15,000.00	\$15,000.00



36	Reservoir Site Work	LS	1	\$5,000.00	\$5,000.00
37	Reservoir Yard Piping	LS	1	\$15,000.00	\$15,000.00
38	Reservoir Fencing	LS	1	\$5,000.00	\$5,000.00
39	Project Sign	LS	1	\$500.00	\$500.00
				Schedule Subtotal	\$1,163,100.00

**City of Newdale Water System Improvements 2010**  
**Cost Estimate - December 2009**

**Schedule No. 2 - Steel Storage Reservoir**

				ENGINEERS ESTIMATE	
NO.	ITEM	UNIT	QUANTITY	PRICE	TOTAL PRICE
1	200,000 Gal. Steel Storage Reservoir	LS	1	\$225,000.00	\$225,000.00
				Schedule Subtotal	\$225,000.00

TOTAL CONSTRUCTION 1,388,100.00

Engineering / Construction Management	\$200,000
Administration	\$68,000
Legal and Bond	\$15,000
Interim Financing	\$31,500
Contingency	\$41,700
Audit	\$2,000
Water Study	\$17,500
USACE Review	\$36,200

**TOTAL PROJECT** \$1,800,000



**Sources of Funds**

USACE 595 Grant	\$1,080,000
CDBG Grant	\$500,000
DEQ SRF Loan	\$220,000
Total Project	\$1,800,000

**NEWDALE WATER SYSTEM IMPROVEMENTS 2010**  
**PROPOSED SCOPE OF WORK**  
**December 14, 2009**

To remedy issues related to the current situation of excessive arsenic and fluoride in the water supply and address the need to upgrade some troublesome existing water facilities, the City intends to construct a new water supply well to serve the town, a new transmission line to connect the well to the present water system, upgrade an existing water supply well for improved service and performance, and to construct an additional water storage reservoir. Project elements include:

- Constructing a 16" x 700' deep water supply well including well house, standby power generator, chlorination system, and controls
- Installing approximately 11,000' of new 10" PVC transmission line to connect the new well to the existing reservoir including pipe and fittings, control valve and protective vault, and air release / vacuum valves
- Rehabilitating an existing 18" x 350' deep water supply well including changing pump type for increased efficiency and reduced energy consumption, pump replacement, well house, and controls
- Constructing an additional 200,000 gallon ground-level steel storage reservoir

The City recently completed a water facility plan that outlines recommendations to accomplish the improvement goals. Several alternatives were investigated for reducing levels of arsenic and fluoride in the water supply, culminating with selection of constructing a new well high in the foothills southeast of the city as being the most cost-effective and publically acceptable. Groundwater in that area has levels of arsenic and fluoride that are 8-10 times lower than the concentrations in the existing City Wells.

The pipeline is necessary to connect the new well to existing City water facilities, the well rehabilitation is necessary to improve the existing Highway 33 well to reliably serve as a backup well in case of emergency, and the new storage reservoir is necessary to provide adequate firefighting and peak flow capacity for the water system.

## Securing Match

Idaho Department of Environmental Quality Funding Commitment Letter – *Appendix E*

Army Corp of Engineers Commitment Agreement – *Appendix F*

## Property Documentation

Warranty Deed – *Appendix A*

## Pro-Forma of Rates on Infrastructure Services

Letter and Water Rate Study from Idaho Rural Water Association – *Appendix D*

## Fair Housing Resolution

The Fair Housing Resolution was published in the Standard Journal on February 25, 2010. *Appendix B.*

## Scope of Work Change

The Scope remains as discussed and detailed in the application with the exception of the additional funding from the ACOE 595 Grant in the amount of \$1,080.00.

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## LETTER SPECIFIC QUESTIONS

### **Executive Summary of Facility Plan**

A copy of the Executive Summary prepared by the Dyer Group is included in *Appendix C.*

### **Utility Rate Study**

Letter and Water Rate Study from Idaho Rural Water Association – *Appendix D*

### **IDEQ Commitment Letter**

Idaho Department of Environmental Quality Funding Commitment Letter – *Appendix E*

## **Army Corp of Engineers Commitment Letter**

Army Corp of Engineers Commitment Agreement – *Appendix F*

## **Property Title**

Warranty Deed – *Appendix A*

## **Well Testing**

No well testing has been done.

## **Fiscal Audit**

City of Newdale Audit 2009 – *Appendix G*